**Developing a Budget**

**Business Strategy Examples**

The following three tables provide an example of developing an overall organisation budget by setting the amount of funds to be spent on each strategy contained within the business plan.

The accuracy and reliability of this method of developing a budget relies on:

* limiting expenditure only to planned strategies (e.g. if a project is not in the budget, it does not go-ahead)
* obtaining quotes for work to be done (e.g. painting and repaires to clubhouse)
* conducting research on actual costs (e.g. conduct two level one coaching courses)
* having historical information (e.g.office expenses, audit fees)
* making a decision to set a remuneration level (e.g. employment of Administration Officer )

Provided some real thought is expended, strategy by strategy, this method of developing a budget is an improvement on basing a budget mostly on historical costing.

**Professional Development**

|  |  |  |
| --- | --- | --- |
| **Strategy No.** | **Strategy** | **Cost** |
| 2.1 | Conduct two level one coaching courses | $1,000.00 |
| 2.2 | Conduct coach update courses | $   500.00 |
| 2.3 | Conduct two referee courses | $   400.00 |
| 2.4 | Send two delegates to Nat. Coaching Conf. | $1,500.00 |
|  |  |  |
|  | TOTAL | $3,400.00 |

**Facility Development**

|  |  |  |
| --- | --- | --- |
| **Strategy No.** | **Strategy** | **Cost** |
| 3.1 | Painting and repairs to clubhouse | $1,000.00 |
| 3.2 | Improvement to drainage of playing fields | $5,000.00 |
| 3.3 | New gate for car park | $   500.00 |
| 3.4 | Architect fees for new extension to club | $   500.00 |
|  |  |  |
|  | TOTAL | $7,000.00 |

**Administration**

|  |  |  |
| --- | --- | --- |
| **Strategy No.** | **Strategy** | **Cost** |
| 4.1 | Employment of [Executive Director](http://www.leoisaac.com/hrm/top031.htm) (F/T) (incl. on costs) | $  33,000.00 |
| 4.2 | Employment of Administration Officer (P/T) | $  15,000.00 |
| 4.3 | Office expenses | $    5,000.00 |
| 4.4 | Committee expenses | $      500.00 |
| 4.5 | Production of Annual Report | $      300.00 |
| 4.6 | Audit Fees | $      750.00 |
|  | TOTAL | $  54,550.00 |

**Example budget spreadsheet**

The following link provides a budget workbook in Microsoft Excel that incorporates the above examples, and also promotion, events, athlete development and a summary sheet.

[excel icon](http://www.leoisaac.com/budget/programcosting.xls)[Click Here](http://www.leoisaac.com/budget/strategycosting.xls)